

Holley Navarre Water System, Inc.
Open Executive Session Minutes
July 6, 2023

Mark Miller, Board President called the meeting to order at 3:00 P.M. The following Board of Directors were present: Mark Miller, Mike Matthews, Bill Thiel, Joe Campbell, Don Linnell, Daryl Lynchard, and David Crumbley. Also present were Jeff Crigler, Will Dunaway, Esq. Clinton Wells, Phil Phillips, Barbara Carawan, Cory Snyder, and Emerald McDaniel.

Unfinished Business

Commercial Impact Review – Walters and TC Navarre Beach Campground Accounts:

- a. Staff presented historical documentation regarding Mr. Walters' accounts at 8885 Navarre Pkwy – Emerald Beach Campground, 7634 Navarre Pkwy – Johnny Hustons, 7622 Navarre Pkwy – The Grey Taproom, and 8404 Racing Lane – Woodside Living. Staff recommended approving a one-time transfer of 5.500 ERU's from 8885 Navarre Pkwy – Emerald Beach Campground to 7634 Navarre Pkwy – Johnny Huston's at 5.00 ERU's and 7622 Navarre Pkwy – The Grey Taproom at .500 ERU's to mitigate the amount of fees owed at the request of the member. Staff cautioned the member to keep in mind the usage (GPD), after the transfer will be remarkably close to the reserved capacity for their accounts, which could cause additional ERU's to be owed if the businesses experience any growth. Transferring ERU's within the Impact Fee Policy was discussed in detail and staff reiterated the policy states no transfers allowed. The calculation of the ERU's, state published FDOH chart, as well as encouraged use of historical data was discussed at great length. Staff was also asked to update the deadline for resolution to before the next regular meeting and communicate with the Member. **No action was taken.**
- b. Staff presented historical documentation regarding the account at 9201 Navarre Pkwy – TG Navarre Beach Campground. Staff explained the previous processes for calculating the ERU's for the RV park and presented an updated calculation to meet current standards. Staff recommended the Board approve a recalculation of the impact fees paid on the account to represent a total of 75 RV spaces, or 18.750 ERU's and to allow financing of the impact fees over a three (3) year period. **Joe Campbell made a motion to authorize a recalculation of the historical impact fees paid on 9201 Navarre Pkwy to reflect a total of seventy-five (75) RV spaces, or 18.750 ERU's and to approve financing for the additional needed 8.806 ERU's or \$56,798.70 reported by the 2022 usage with a payback period of three (3) years. Bill Thiel seconded the motion. The motion passed unanimously. 7/0/0**

SRC Reuse Project, Eglin – Bids: Staff explained that we received only one bid that was more than they expected. Staff was advised of another potential bidder that missed the deadline. Staff recommended re-bidding the project to follow the purchasing policy and attempt to receive more than one bid before awarding. The timeline and allowing deductions as amendments were discussed at great length. Funding drawdown deadlines were discussed briefly, and no issues are anticipated. Operating the project in the Sunshine Law was also reiterated. **Bill Thiel made a motion to authorize rebidding the SRC Reuse Project, Eglin – Phase 1A per the HNWS Purchasing Policy. Don Linnell seconded the motion. The motion passed unanimously. 7/0/0**

ServisFirst Bank – LOC Draws: Staff presented a loan condition for the ServisFirst Bank LOC \$2.1 million conventional loan that was executed in August 2021. Staff explained the loan is nearing the drawdown deadline and the loan condition is not believed to be favorable for HNWS. The loan condition included transferring accounts to ServisFirst Bank into non-interest-bearing accounts. Staff briefly explained the possible consequences of transferring accounts, options of resolution, and requested to bring back an in-depth analysis of the believed options. Staff was asked to bring back the analysis at the next regular meeting with a recommendation. **No action was taken.**

Member Forum

No speakers present for Member Forum.

Joe Campbell made a motion to adjourn. Daryl Lynchard seconded. The motion passed unanimously. 7/0/0

Action Items

1. Staff was asked to update the deadline for the Commercial Review accounts before the next regular meeting and communicate with the Member.
2. Staff was asked to bring back the analysis on the ServisFirst Bank LOC \$2.1 million conventional loan at the next regular meeting with a recommendation.

The meeting was adjourned at 3:35pm.



Bill Thiel, Secretary